GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:1379
ANSWERED ON:26.11.2001
DOMESTIC SUBSIDY
NIVEDITA MANE

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the idea behind WTO was to eliminate barriers of trade in agricultural produce to reduce domestic subsidy and to enable developing countries to find newer markets of products;

(b) whether the developed countries have increased subsidies on their agricultural produce which is detriment to developing countries like India;

(c) if so, the reasons therefor;

(d) the steps the Government have taken to safeguard the interests of Indian Farmers; and

(e) the new policy of Indian Government towards WTO?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a): The idea behind WTO Agreements was trade liberalization through an open, equitable and rule based multilateral trading system.

(b) to (e): As per Organization for Economic Co-operation and Development (OECD) report the support to agriculture in OECD countries increased from US$ 308 billion in 1986-88 to US$ 361 billion in 1999. Keeping this in view, India in its negotiating proposals for the ongoing mandated negotiations under World Trade Organization Agreement on Agriculture has called for inclusion of all trade distorting domestic support measures in the calculations of the Total Aggregate Measurement of Support (AMS) which would be subjected to reduction commitments if above the de-minimis level. To safeguard the interests of Indian farmers the Government have put in place a suitable mechanism for monitoring of the imports of sensitive items and are committed to providing adequate protection to the domestic producers by resorting to various WTO compatible measures which include appropriate calibration of applied tariffs within the bound tariffs, imposition of anti-dumping, countervailing duties and safeguard action under certain specified circumstances.